

Message Text

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C O N F I D E N T I A L OPORTO 0224

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TAGS: PINT PO
SUBJECT: NORTHERN REACTION TO EANES CHOICE OF PRIME MINISTER

SUMMARY. PRESIDENT EANES' DESIGNATION OF NOBRE DA COSTA AS PORTUGAL'S NEXT PRIME MINISTER HAS BEEN RECEIVED IN THE OPORTO AREA WITH PLEASANT SURPRISE. INITIAL SOUNDINGS IN THE GENERALLY CONSERVATIVE, BUSINESS-ORIENTED NORTH INDICATE THAT EANES SCORED A HIT BY APPOINTING A RELATIVE POLITICAL UNKNOWN WHO HAS AN EXCELLENT REPUTATION IN THE BUSINESS COMMUNITY AS A DECISIVE MANAGER WHO "WHO SAVED SACOR" (THE NATION OIL COMPANY) AND WHO IS KNOWN AS A "MAN WHO LIKES TO MAKE MONEY." THE ALMOST UNIVERSAL POSITIVE REACTION IS TEMPERED BY THE SOBER REALIZATION, NEVERTHELESS, THAT NOBRE DA COSTA WILL HAVE TO DEPEND ON PARLIAMENTARY SUPPORT (OF WHICH THE PS IS THE SINE QUA NON) IN ORDER TO GOVERN. A PS SOURCE PREDICTED HIS PARTY WILL OPPOSE THE NEW PM, AND THAT THERE WILL SHORTLY BE NEW ELECTIONS. A CONSERVATIVE, HIGH-RANKING CDS PARTY OFFICIAL PERSONALLY APPROVED OF NOBRE DA COSTA BUT HEWED TO THE PARTY LINE IN RESERVING SUPPORT UNTIL THE NATURE AND PROGRAM OF THE III CONSTITUTIONAL GOVERNMENT BECOMES CLEARER. PSD SOURCES THOUGHT EANES HAD DONE JUST THE RIGHT THING IN NAMING A NON-PARTISAN TO LEAD A GOVERNMENT

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OF "PRESIDENTIAL INITIATIVE". END SUMMARY.

1. THE MOST COMMON IMMEDIATE REACTION IN AND AROUND OPORTO TO THE ANNOUNCEMENT OF NOBRE DA COSTA'S NAME WAS "WHO?", FOLLOWED BY A SAGE NOD OF THE HEAD WHEN HIS ROLE IN THE FIRST CONSTITUTIONAL GOVERNMENT WAS RECALLED, AND THE COMMENT THAT EANES HAD SCORED A POINT. HE HAD SURPRISED EVERYBODY AND

PRESUMABLY FORCED THE LISBON POLITICIANS TO REGROUP TO FIGURE OUT HOW TO DEAL WITH THIS UNEXPECTED DEVELOPMENT. BEFORE THE ANNOUNCEMENT, DEPENDING ON WHO YOU TALKED TO, PEOPLE WERE SURE THAT THE NEXT PM WAS GOING TO BE EITHER A SOCIALIST OR A "MILITAR". (PEOPLE ARE NOW JOKING THAT THE NEXT POPE WILL BE EITHER A SOCIALIST OR A "MILITAR".)

2. SEVERAL CONSULATE CONTACTS IN OPORTO BUSINESS CIRCLES CLAIM TO KNOW NOBRE DA COSTA PERSONALLY AND EXPRESS ADMIRATION FOR HIS MANAGERIAL AND ENTREPRENEURIAL TALENTS. HE IS DESCRIBED AS DECISIVE, INDEPENDENT, COMPETENT, AND THE KIND OF "CIVILIZED, EXPERIENCED AND SOPHISTICATED MAN WHO, IN ANY PART OF THE WORLD, COULD BE SOMEONE." THE MAIN RESERVATION EXPRESSED ABOUT HIM PERSONALLY IS WHETHER HE HAS THE CAPACITY TO COPE WITH THE COMPLEXITIES OF PORTUGUESE NATIONAL POLITICS. HOPES ARE ALSO TEMPERED BY THE EXPECTATION THAT HE WILL COME UNDER ATTACK FROM THE COMMUNIST DOMINATED TRADE UNIONS BECAUSE OF HIS REPUTATION, WHEN HE WAS MINISTER FOR INDUSTRY AND TECHNOLOGY, FOR FAVORING GOVERNMENT DISENGAGEMENT FROM "INTERVENED" FIRMS.

3. LIMITED CONTACTS WITH NORTHERN PARTY TYPES SHOW THEM STICKING PRETTY MUCH TO THEIR RESPECTIVE PARTY LINES. CDS NATIONAL SECRETARY RUI DA OLIVEIRA STATED THAT THE PARTY HAD GIVEN ONLY QUALIFIED APPROVAL TO NOBRE DA COSTA NOTING THAT REACTION SO FAR IS LIMITED TO TOP PARTY LEADERS, AS THE RANK AND FILE

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HAS NOT HAD TIME TO DIGEST THE DECISION. OLIVEIRA STRESSED THAT EVERYTHING DEPENDS ON PS SUPPORT FOR THE GOVERNMENT IN THE ASSEMBLY. THE CDS VIEWS IT AS ESSENTIAL TO THE VIABILITY OF THE GOVERNMENT. WITHOUT IT, ELECTIONS WILL COME BY NEXT FEBRUARY OR MARCH, AND THE RESULTS, WITH HIGH VOTER ABSTENTION, WILL BE "DISASTROUS."

4. IF THE PS SUPPORTS THE GOVERNMENT, NORTHERN CDS RANK AND FILE WOULD PROBABLY ACCEPT NOBRE DA COSTA OUT OF IGNORANCE AND WEARINESS AS MUCH AS OUT OF PARTY LOYALTY. OLIVEIRA ESTIMATES THAT OVER 95 PERCENT OF CDS SUPPORTERS HAD NEVER HEARD OF NOBRE DA COSTA. THE PARTY LEADERS, HOWEVER, HAVE FAITH IN HIS PRAGMATISM, WHICH COULD GO A LONG WAY TO RESOLVING OUTSTANDING ISSUES, SUCH AS AGRARIAN REFORM.

5. ON A PERSONAL LEVEL, OLIVEIRA CHARACTERIZED THE NEW PRIME MINISTER AS A HIGHLY COMPETENT TECHNOCRAT WITH AN EYE FOR DETAIL. HE PREFERS TO WORK WITHIN AN ORGANIZATION GIVING ATTENTION TO ALL LEVELS, FROM TOP TO BOTTOM. HE IS DISTINCTLY NOT A POLITICAL MANDARIN. DEMANDING OF HIMSELF AND THOSE AROUND HIM, HE IS CONCERNED ABOUT THE SPIRITUAL, AS WELL AS MATERIAL, WELFARE OF THE COUNTRY. HE WAS CLEARLY ONE

OF THE BETTER CANDIDATES FOR THE JOB, HE ADDED.

6. SOCIALIST MAYOR OF MATOSINHOS, CARLOS MAIA, WAS THOROUGHLY CHAGRINED AT EANES SELECTION OF NOBRE DA COSTA. HE CONSIDERED IT A VIRTUAL STAB IN THE BACK TO THE POLITICAL PARTIES. HE FELT THAT THE DISMISSAL OF THE II CONSTITUTIONAL GOVERNMENT WAS PRECIPITATED PREMATURELY BY PRESSURE ON EANES FROM THE MILITARY, THE PSD AND SA CARNEIRO. HE THREW IN THE AMERICANS FOR GOOD MEASURE BUT WAS UNABLE TO SAY JUST HOW WE HAD HELPED CAUSE THE GOVERNMENT TO FALL. (WE DENIED STRENUOUSLY, OF COURSE, THAT WE HAD PLAYED ANY PART.) MAIA FURTHER CLAIMED THAT THE PRESIDENT DID NOT GIVE THE PS AND CDS ENOUGH TIME TO RESOLVE THEIR DIFFERENCES. FOR THESE REASONS, MAIA BELIEVES THAT THE PS WILL NOT SUPPORT THE
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NOBRE DA COSTA GOVERNMENT WHICH WOULD THEREFORE SERVE ONLY AS A CARETAKER UNTIL ELECTIONS IN JANUARY OR FEBRUARY. THE PS WILL PROBABLY LOSE GROUND ON ALL SIDES IN THESE ELECTIONS, HE SAID.

7. BOTH PARTY OFFICIALS QUOTED ABOVE, AS WELL AS OTHERS, PREDICTED, AND INDEED HOPED FOR, CONSTITUTIONAL MODIFICATIONS WHICH WOULD GIVE THE PRESIDENT A STRONGER ROLE SO THAT PORTUGAL WOULD NOT HAVE TO ENDURE ANOTHER PERIOD OF POLITICAL UNCERTAINTY SUCH AS THE PRESENT ONE. (MAIA STRESSED THAT EANES SHOULD NOT BE THE NEXT PRESIDENT.)

8. NORTHERN MEDIA REACTION TO THE APPOINTMENT OF NOBRE DA COSTA HAS BEEN MIXED. THE PS-ORIENTED PRIMEIRO DE JANEIRO REPORTED THE STORY IN A RESTRAINED MANNER WITH NO COMMENTARY. ON THE OTHER HAND, THE CDS-EDITED COMMERCIO GAVE MAJOR PLAY TO NOBRE DA COSTA'S NOMINATION AND PUBLISHED EXTENSIVE AND GENERALLY FAVORABLE COMMENTARY. ONE COMMERCIO COLUMNIST OBSERVED THAT "NOBRE DA COSTA WAS A FIGURE CUT OUT FOR THE PRESENT SITUATION... THE PRESIDENT OF THE REPUBLIC REVEALED A HIGH ORDER OF POLITICAL SKILL." HARRINGTON

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